

Message Text

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ACTION EB-07

INFO OCT-01 ARA-10 EUR-12 EA-07 ISO-00 TRSE-00 AID-05
CEA-01 CIAE-00 COME-00 FRB-03 INR-07 IO-13 NEA-10
NSAE-00 USIA-06 OPIC-03 SP-02 LAB-04 EPG-02
SIL-01 AGRE-00 OMB-01 XMB-02 L-03 IGA-02 /102 W
-----113198 191219Z /43

R 190932Z JUL 77
FM AMEMBASSY STOCKHOLM
TO SECSTATE WASHDC 1109
INFO AMEMBASSY BERN
AMEMBASSY BONN
AMEMBASSY BRUSSELS
AMEMBASSY CARACAS
AMEMBASSY COPENHAGEN
AMEMBASSY DUBLIN
AMEMBASSY THE HAGUE
AMEMBASSY LISBON
AMEMBASSY LONDON
AMEMBASSY OSLO
AMEMBASSY OTTAWA
AMEMBASSY PARIS
AMEMBASSY ROME
AMEMBASSY TOKYO
AMEMBASSY VIENNA
AMCONSUL GOTEBORG

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USEEC AND USOECD

E.O. 11652: N/A
TAGS: EFIN, PO
SUBJ: FINANCIAL ASSISTANCE FOR PORTUGAL

REF: STATE 163429
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1. REQUEST FOR INFORMATION RE SWEDISH CONTRIBUTION PER PARA 6
OF REFTEL TRANSMITTED BY LETTER TO FONMIN. COINCIDENTALLY,
EMBOFF WAS DISCUSSING MATTER OF SWEDISH LOAN FOR PORTUGAL
WITH ECONMIN OFFICIAL AT TIME OF RECEIPT OF REFTEL AND FOLLOWING
RECEIVED:

A. SWEDEN'S COMMITMENT TO ASSIST PORTUGAL IS IRREVERSIBLE.

B. METHOD OF PROVIDING FOR ASSISTANCE, AFTER GOING THROUGH SOME RATHER ROUNDABOUT THOUGHTS SUCH AS DONATING WHEAT AND/OR TAPPING CATASTROPHE ASSISTANCE FUNDS, HAS NOW COME DOWN TO THE NEED TO PRESENT AN APPROPRIATIONS BILL TO THE RIKSDAG. THE GOVERNMENT IS DETERMINED TO DO THIS.

C. HOWEVER, CERTAIN POLITICAL PROBLEMS EXIST WHICH MAKE IT NECESSARY THAT THE STRONGEST POSSIBLE CASE BE PRESENTED SHOWING PORTUGAL'S NEED FOR ASSISTANCE AND ITS ABILITY TO USE THE ASSISTANCE WISELY. THE "PROBLEMS" ACTUALLY BOIL DOWN TO POSSIBILITY THAT OPPOSITION, AND EVEN SOME GOVERNMENT RIKSDAG MEMBERS, MAY ASK WHY THE OECD FINANCIAL SUPPORT FUND, AS ORIGINALLY CONCEIVED, COULD NOT USED TO SUPPORT PORTUGAL.

D. IN ORDER TO PRESENT CASE IN STRONGEST MANNER POSSIBLE, SO AS TO NEUTRALIZE POSSIBLE OPPONENTS IN RIKSDAG, MINECON WANTS THE VERY LATEST ECONOMIC DATA WE CAN PROVIDE ON PORTUGAL'S ECONOMIC SITUATION, ITS NEED FOR ASSISTANCE, AND PROOF OF ITS WILLINGNESS TO USE LOANS PROPERLY. EVIDENTLY MATERIAL PRESENTED AT LAST PARIS MEETING WAS NOT SUFFICIENT IN MINDS OF MINISTRY TO PROVIDE HARD ARGUMENT. OFFICIAL WITH WHOM WE TALKED WAS ALSO RELUCTANT TO TRUST SWEDISH EMBASSY IN PORTUGAL TO OBTAIN DATA AS LATTER IS HELD TO BE STAFFED BY GENERALISTS WITHOUT FIRM UNDERSTANDING OF DETAILS WHICH ARE NECESSARY.
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EM POLITICAL ARGUMENTATION AS TO NEED TO SUPPORT FLEDGLING DEMOCRACY, GOVERNMENT FEELS IT CAN PROVIDE ADEQUATELY.

2. SPEED OF SWEDISH ACTION WILL BE GREATLY INCREASED BY RAPID RECEIPT OF REQUESTED ECONOMIC JUSTIFICATION. HOWEVER, GOVERNMENT WILL NOT BE WILLING TO TAKE THE POLITICAL RISKS NECESSARY WITHOUT FIRM INDICATION THAT PRINCIPAL DONORS, US AND FRG, ARE WELL OUT IN FRONT. AN EXAMPLE OF SUCH AN INDICATION MIGHT BE ACTION BY APPROPRIATE COMMITTEES OF BOTH HOUSES OF CONGRESS REPORTING OUT APPROPRIATE BILLS. AFTER PREPARATION OF GOVERNMENT'S CASE, AND AFTER RECEIPT OF PROPER INDICATIONS FROM ABROAD, GOVERNMENT WOULD EXPECT THAT PARLIAMENTARY PROCESS HERE WOULD TAKE SIX TO SEVEN WEEKS. IF GOVERNMENT ACTION IS BEGUN AFTER TRADITIONAL SWEDISH VACATION PERIOD ENDS IN EARLY AUGUST EARLIEST PARLIAMENTARY PROCEDURE MIGHT BE BEGUN AROUND SEPTEMBER 1. WE ARE THUS TALKING ABOUT DISBURSEMENTS POSSIBLY AROUND NOVEMBER 1, NOT RPT NOT EARLIER.

3. ANSWER TO REFTTEL DELAY PENDING CONFIRMATION BY FONMIN THAT MINECON NOW HAS WORKING LEVEL RESPONSIBILITY IN THIS MATTER.

FONMIN (POLUHA) HAS NOT ONLY CONFIRMED, BUT ALSO WARNED EMBASSY THAT MINECON IS DENUDED OF OFFICERS DURING JULY VACATION SEASON SO WE SHOULD NOT EXPECT ANY ACTION ON THE MATTER BEFORE END JULY.

4. ACTION REQUESTED: EMBASSY WOULD APPRECIATE RECEIPT OF AS EXTENSIVE A COLLECTION OF MATERIAL AS POSSIBLE IN ORDER TO RESPOND TO THIS REQUEST. WE CAN WELL IMAGINE THAT CONSIDERABLE AMOUNT OF MATERIAL WAS PRESENTED IN PARIS, BUT ANYTHING FURTHER WE CAN ADD WILL BE OF IMPORTANCE TO SWEDISH GOVERNMENT.
PERRY

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, FUND ALLOTMENT, FOREIGN ASSISTANCE, LOANS
Control Number: n/a
Copy: SINGLE
Sent Date: 19-Jul-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STOCKH03007
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770268-0330
Format: TEL
From: STOCKHOLM
Handling Restrictions: n/a
Image Path:
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Legacy Key: link1977/newtext/t19770741/aaaabjeb.tel
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Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: de4f9a67-c288-dd11-92da-001cc4696bcc
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Original Classification: LIMITED OFFICIAL USE
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Review Release Date: n/a
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SAS ID: 1813369
Secure: OPEN
Status: NATIVE
Subject: FINANCIAL ASSISTANCE FOR PORTUGAL
TAGS: EFIN, PO
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